



MEMORANDUM

TO: TAX AND FISCAL POLICY TASK FORCE MEMBERS

FROM: JONATHAN WILLIAMS, TASK FORCE DIRECTOR

DATE: JULY 1, 2010

RE: 35 DAY MAILING—ALEC'S 37th ANNUAL MEETING: TAX AND FISCAL POLICY TASK FORCE

The American Legislative Exchange Council will host its 37th Annual Meeting on August 5-8 at the Manchester Grand Hyatt in San Diego, California. **The Tax and Fiscal Policy Task Force will meet from 9:30 a.m. until 12:30 p.m., on Saturday, August 7th.**

On Thursday, August 5th the **Fiscal Federalism Working Group** will convene from 7:45 a.m. until 8:45 a.m. Also, the **Public Pension Reform Working Group** will meet from 9:00 a.m. until 10:00 a.m., and the **Fiscal Policy Reform Working Group** will convene from 10:15 a.m. until 11:15 a.m.

Please find the following materials enclosed:

- Annual Meeting Tentative Schedule
- Task Force Meeting Tentative Agenda
- Draft Model Legislation
- Spring Task Force Summit Minutes
- ALEC Mission Statement
- ALEC Task Force Operating Procedures
- ALEC Meeting Reimbursement Policies

Travel and Accommodations: ALEC's 37th Annual Meeting and all task force meetings will be held at the **Manchester Grand Hyatt San Diego**. Please register for the conference online at www.alec.org. If you have any questions about registration, please call (866) 210-5134.

I look forward to seeing all of you in San Diego, for what is sure to be an excellent meeting. If you have any questions or comments regarding the meeting, please contact me at 202-742-8533 or by e-mail at jwilliams@alec.org.

Cordially,

A handwritten signature in dark ink, appearing to read "Jonathan P. Williams".

Jonathan P. Williams
Tax & Fiscal Policy Task Force Director



Agenda



Tuesday, August 3, 2010

Board of Directors Reception, <i>by invitation only</i>	6:30 p.m. - 7:30 p.m.	Off-site
Board of Directors Dinner, <i>by invitation only</i>	7:30 p.m. - 9:30 p.m.	Off-site

Wednesday, August 4, 2010

Registration Open	12:00 p.m. - 5:00 p.m.	Litrenta Foyer
Joint Board of Directors Meeting	9:00 a.m. - 5:30 p.m.	Elizabeth FG
State Chairs Training Session	2:00 p.m. - 5:00 p.m.	Del Mar AB
NCHL Working Group	3:00 p.m. - 5:00 p.m.	Madeline ABC
Leadership Reception, <i>by invitation only</i>	6:00 p.m. - 7:00 p.m.	Elizabeth Foyer
Leadership Dinner, <i>by invitation only</i> <i>Sponsored by Reynolds American</i> <i>Speaker: Ms. Susan Ivey, Chairman, President and CEO, Reynolds American</i>	7:00 p.m. - 9:00 p.m.	Elizabeth GH
Hospitality Suite	9:00 p.m. - 11:00 p.m.	Madeline ABC

Thursday, August 5, 2010

Registration Open	7:30 a.m. - 5:00 p.m.	Litrenta Foyer
State Chairs Meeting	9:00 a.m. - 11:15 a.m.	Elizabeth F
Task Force: International Relations	9:00 a.m. - 11:15 a.m.	Manchester H, I
ALEC Exhibition Hall Open	8:00 a.m. - 5:00 p.m.	Elizabeth ABCDE
Attendee Grab-N-Go Breakfast	8:00 a.m. - 11:15 a.m.	Elizabeth ABCDE
Task Force Working Groups and Subcommittees	8:00 a.m. - 11:15 a.m.	
Fiscal Federalism Working Group	8:00 a.m. - 9:00 a.m.	Elizabeth G
Environmental Health Working Group	8:00 a.m. - 9:30 a.m.	Manchester G
Transportation Subcommittee	9:00 a.m. - 10:00 a.m.	Elizabeth H
Leadership Institute: New Media Workshop	9:00 a.m. - 11:15 a.m.	George Bush
Public Pension Reform Working Group	9:15 a.m. - 10:15 a.m.	Elizabeth G
Health Care Reform: Repeal vs. Implementation	9:15 a.m. - 11:15 a.m.	Mohsen AB
Energy Subcommittee	10:00 a.m. - 11:15 a.m.	Manchester G

Agenda



Working Group on Education Reform	10:00 a.m. - 11:15 a.m.	Madeline AB
Corrections and Reentry Working Group	10:15 a.m. - 11:15 a.m.	Elizabeth H
Cy Pres Working Group	10:15 a.m. - 11:15 a.m.	Madeline CD
Fiscal Policy Reform Working Group	10:15 a.m. - 11:15 a.m.	Elizabeth G
Opening Luncheon, sponsored by AT&T <i>Speaker: Randall Stephenson, Chairman, CEO, and President, AT&T</i> <i>Keynote: Gov. Rick Perry (TX)</i>	11:30 a.m. - 1:30 p.m.	Douglas ABC
Workshop: <i>Transferring Credits: Easing the Burden of Students and Taxpayers</i>	1:45 p.m. - 3:00 p.m.	Elizabeth F
Workshop: <i>Regional Climate Initiatives</i>	1:45 p.m. - 3:00 p.m.	Elizabeth G
Workshop: <i>Panel on Prescription Drug Abuse: Good Medicines, Bad Behavior</i>	1:45 p.m. - 3:00 p.m.	Elizabeth H
Workshop: Visa	3:15 p.m. - 4:30 p.m.	Elizabeth F
Workshop: <i>Show Me the Money: Improving Budget Transparency in the States</i>	3:15 p.m. - 4:30 p.m.	Elizabeth G
Workshop: <i>Restoring Good Faith to Insurance "Bad Faith" Legislation</i>	3:15 p.m. - 4:30 p.m.	Elizabeth H
Diageo Wine and Cheese Reception <i>Open to all attendees</i>	5:00 p.m. - 6:00 p.m.	Elizabeth ABCDE
Chairman's Reception, <i>by invitation only</i> <i>Sponsored by AT&T</i>	5:30 p.m. - 6:30 p.m.	Ford ABC
International Relations Reception <i>Sponsored by Reynolds American</i>	6:00 p.m. - 7:00 p.m.	Elizabeth Terrace
California Welcome Reception aboard the U.S.S. Midway, sponsored by California Host Committee	6:30 p.m. - 8:30 p.m.	U.S.S. Midway
Hospitality Suite	9:00 p.m. - 11:00 p.m.	Ford ABC

Friday, August 6, 2010

Registration Open	7:30 a.m. - 5:00 p.m.	Litrenta Foyer
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Plenary Breakfast, sponsored by Bayer Corporation

Speaker: Greg Babe, President and CEO, Bayer Corporation

Keynote: Gov. Joe Manchin (WV), invited

8:00 a.m. - 9:15 a.m.

Douglas ABC

ALEC Exhibition Hall Open

9:30 a.m. - 5:00 p.m.

Elizabeth ABCDE

Workshop: Cutting Crime and Budgets: Proven Solutions for Your State

9:30 a.m. - 10:45 a.m.

Elizabeth F

Workshop: The Changing Face of Journalism in the States

9:30 a.m. - 10:45 a.m.

Elizabeth G

Workshop: Creating True and Lasting Budget Reform in Your State

9:30 a.m. - 10:45 a.m.

Elizabeth H

Task Force Chairs Meeting

11:00 a.m. - 12:15 p.m.

Mohsen AB

Workshop: The 10th Amendment: Federalism and Restoring State Sovereignty

11:00 a.m. - 12:15 p.m.

Elizabeth F

Workshop: Building a Free-Market Movement in Your State

11:00 a.m. - 12:15 p.m.

Elizabeth G

Workshop: Protecting Philanthropic Freedom

11:00 a.m. - 12:15 p.m.

Elizabeth H

Plenary Luncheon, sponsored by Allergan

Speaker: Lynn Salo, Vice President, Allergan Medical US Breast Aesthetics Division

Keynote:

12:30 p.m. - 2:15 p.m.

Douglas ABC

Task Force: Commerce, Insurance, and Economic Development

2:30 p.m. - 5:30 p.m.

Elizabeth G

Task Force: Civil Justice

2:30 p.m. - 5:30 p.m.

Manchester DE

Task Force: Education

2:30 p.m. - 5:30 p.m.

Manchester GH

Task Force: Telecom and IT

2:30 p.m. - 5:30 p.m.

Manchester AB

*Education Task Force Reception, by invitation only
Sponsored by Bridgepoint Education*

5:30 p.m. - 6:30 p.m.

Manchester Foyer

*Incoming Chairman's Reception, by invitation only
Sponsored by Reynolds American*

5:30 p.m. - 6:30 p.m.

Ford ABC

State Delegation Night

6:00 p.m.

Ford ABC

Hospitality Suite

9:00 p.m. - 11:00 p.m.



Agenda



Saturday, August 7, 2010

Registration Open	7:30 a.m. - 12:00 p.m.	Litrenta Foyer
ALEC Exhibition Hall Open	9:30 a.m. - 12:00 p.m.	Elizabeth ABCD
Plenary Breakfast, Sponsored by Pfizer	8:00 a.m. - 9:15 a.m.	Douglas ABC
Task Force: Public Safety and Elections	9:30 a.m. - 12:30 p.m.	Elizabeth H
Task Force: Health and Human Services	9:30 a.m. - 12:30 p.m.	Manchester AB
Task Force: Energy, Environment, and Agriculture	9:30 a.m. - 12:30 p.m.	Manchester GH
Task Force: Tax and Fiscal Policy	9:30 a.m. - 12:30 p.m.	Elizabeth G
Plenary Luncheon, sponsored by Visa <i>Speaker: Frn. Maj. Leader Dick Armev</i>	12:30 p.m. - 2:15 p.m.	Douglas ABC
Closing Ceremonies	4:00 p.m. - 5:00 p.m.	

Sunday, August 8, 2010

Prayer Service <i>Speaker: Cal Thomas, Syndicated Columnist</i>	9:00 a.m. - 10:30 a.m.	Ford ABC
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TAX AND FISCAL POLICY TASK FORCE MEETING AGENDA
ALEC'S 2010 ANNUAL MEETING
SAN DIEGO, CALIFORNIA
9:30 A.M. - 12:30 P.M., SATURDAY, AUGUST 7

Indiana Sen. Jim Buck – Public Sector Chair
Bob Williams – Private Sector Chair
Jonathan Williams – Task Force Director

- 9:30 Call to Order, Welcome, and Introductions**
Indiana Sen. Jim Buck
Bob Williams – Evergreen Freedom Foundation
- 9:40 Old Business – Approval of Spring Task Force Summit Minutes**
- 9:45 A Report from the Public Pension Reform Working Group**
Illinois Sen. Chris Lauzen
- 9:50 A Report from the Fiscal Policy Reform Working Group**
Utah Sen. Wayne Niederhauser
- 9:55 A Report from the Fiscal Federalism Working Group**
Jason Mercier – Washington Policy Center
- 10:00 Why America is Prosperous**
Dr. Richard Vedder – Task Force Advisor
- 10:20 Reforms in Colorado**
Colorado Rep. Glenn Vaad
- 10:30 Economic Freedom in the States**
Dr. Matthew Mitchell – The Mercatus Center
- 10:50 Unemployment Insurance Taxes**
Speaker TBA
- 11:00 Lessons from Liberalism's Laboratory**
The Honorable Michelle Steel – California Board of Equalization
- 11:20 Protecting the American Taxpayer**
Christopher Finney - Finney, Stagnaro, Saba & Patterson CO., L.P.A.
- 11:40 Consideration of Proposed Model Legislation**

I. The Transparency and Government Accountability Act

Mike Barnhart – Sunshine Review

II. The Balanced Budget Certification Act

Dr. Byron Schlomach – The Goldwater Institute

III. The Spending Evaluation Act

Dr. Byron Schlomach – The Goldwater Institute

IV. A Resolution in Opposition to Value Added Taxes

Americans for Tax Reform

12:25 New Business

12:30 Adjournment

The Transparency and Government Accountability Act

Summary

“Transparency” is government’s obligation to share information that citizens need to hold officials accountable for the conduct of the people’s business. Despite “sunshine” laws and pro-transparency rhetoric, information requests are routinely ignored. This bill affirms that state government must disclose certain information in a timely manner, so that citizens may hold their elected officials accountable.

The Balanced Budget Certification Act

Summary

This bill proposes a constitutional amendment requiring a state official to assist in the budget process. This official cannot be involved in writing or approving the budget. Furthermore, the official must estimate state revenues and certify that all spending proposed by the Legislature is funded with available revenue.

The Spending Evaluation Act

Summary

This bill proposes a constitutional amendment to create the Government Review Commission. This commission would rigorously evaluate current and proposed state programs, agencies, and mandates.

A Resolution in Opposition to Value-Added Taxes

Summary

The value-added taxes (VAT) would impose a tremendous burden on American taxpayers, their families and businesses. In Europe, other taxes have risen at the same time as the VAT has risen, increasing the level of taxation. To prevent a similar experience in America, this resolution expresses strong opposition to the VAT tax.

THE TRANSPARENCY AND GOVERNMENT ACCOUNTABILITY ACT

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Summary

“Transparency” is government’s obligation to share information with citizens that is needed to make informed decisions and hold officials accountable for the conduct of the people’s business.

Transparency exists on government websites largely at the munificence of officials. The burden of negotiating complex and costly Freedom of Information Act (FOIA) petitions rests squarely on the shoulders of citizens and journalists. Despite “sunshine” laws and much pro-transparency rhetoric, information requests by journalists and citizens are routinely ignored, given the bureaucratic “slow roll” and discouraged by inflated price tags for staff time and copying.

FOIAs and official goodwill are insufficient in securing citizens and journalists information they need and have a right to review.

Therefore, this act affirms that the government of the state of {name of state} has a duty to affirmatively disclose certain information, in a timely manner, and to shift the burden from citizens and journalists to the state, to share all information necessary, so that citizens may hold their elected officials accountable.

THE PEOPLE OF THE STATE OF {name of state} DO ENACT AS FOLLOWS:

SECTION 1.

The State of {name of state} shall maintain an official, searchable website accessible to all citizens that affirmatively discloses all appropriate information as described in subsections (a through i). The state website shall use a consistent website domain and present all information in “plain English”. The state website shall have an easy-to-understand interface and shall be well organized, easy to navigate and without tedious plug-in downloads.

The state website shall post all open meetings laws, notices about public meetings, committees and boards, minutes of past meetings, a schedule, and meeting agendas for future and past meetings, and

(a) budget information, including:

- i. All budgets, current and historic
- ii. Graphs showing spending and revenue over time
- iii. A check register including:

1. The amount of the payment
2. Date

- 44 3. Check number
- 45 4. To whom the payment was made (including the address)
- 46 5. What it was for
- 47 6. Budgetary authority for the expenditure
- 48 7. Functional expenditure category
- 49 8. Sources of funds
- 50 9. Links to the relevant contracts under which the payment
- 51 was made

52 (a) Elected officials information, including:

- 53 i. Contact information for all elected officials
- 54 ii. Terms of office and date of next election
- 55 iii. Voting record
- 56 iv. Party affiliation
- 57 v. Conflict of interest rules
- 58 vi. Committee appointments

59 (b) Administrative official information, including:

- 60 i. Contact information for all appointed administrators
- 61 ii. Terms of office
- 62 iii. Governing boards and by laws for agencies
- 63 iv. Party Affiliation
- 64 v. Conflict of interest rules

65 (c) Ethics information, including:

- 66 i. Ethics commission and guidelines for ethical behavior of state officials
- 67 ii. Process for reporting ethics violations
- 68 iii. Status of current investigations and results of investigations

69 (d) Audit information, including:

- 70 i. Status of regular audits of state agencies and departments, including
- 71 the Governor and the Assembly
- 72 ii. Audit results
- 73 iii. Schedule of all financial audits
- 74 iv. Performance audits for state programs

75 (e) Contract information, including:

- 76 i. Rules governing contracts
- 77 ii. Bids and contracts for purchases over \$10,000
- 78 iii. Vendor campaign contributions and the vendor contract

(f) Lobbying information, including:

- i. Disclosure of state-paid lobbying activity
- ii. Database of registered lobbyists
- iii. Agency lobbying contracts
- iv. All grants given to non-profit organizations, reason for the grant and a contact in the organization responsible for oversight

(g) Freedom of Information Act (FOIA) information, including:

- i. FOIA contact for every state agency/department in one central location
- ii. Department/Agency FOIA officer posted on Department homepage
- iii. Annual compliance survey performed measuring, number of FOIAs submitted, number fulfilled, average time for compliance and reasons for denials

(h) Tax information, including:

- i. Central location for all tax information, including state "fees" such as drivers' licenses

Agency disclosure of all sources of revenue

1 **THE BALANCED BUDGET CERITIFCATION ACT**

Page 1 of 2

2
3 Proposing a constitutional amendment requiring {Appropriate Statewide Elected Official
4 Not Involved in Writing or Approving the State Budget} to estimate state revenues and
5 certify that all spending proposed by the Legislature is funded with available revenue.
6

7 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF {name of**
8 **state}:**
9

10 **SECTION 1.** Article xx, {name of state} Constitution, is amended by adding Section xx
11 to read as follows:
12

13 Section xx: {Financial Statement and Estimate by {Appropriate Official}; Limitation of
14 Appropriations}
15

16 (a) It shall be the duty of the {Appropriate Statewide Elected Official Not Involved in
17 Writing or Approving the State Budget} in advance of each Regular Session of the
18 Legislature to prepare and submit to the Governor and to the Legislature upon its
19 convening a statement under oath showing fully the financial condition of the State
20 Treasury at the close of the last fiscal period and an estimate of the probable receipts and
21 disbursements for the then current fiscal year. There shall also be contained in said
22 statement an itemized estimate of the anticipated revenue based on the laws then in effect
23 that will be received by and for the State from all sources showing the fund accounts to
24 be credited during the succeeding budget period and said statement shall contain such
25 other information as may be required by law. Supplemental statements shall be submitted
26 at any Special Session of the Legislature and at such other times as may be necessary to
27 show probable changes.
28

29 (b) Except in the case of emergency and imperative public necessity and with a four-
30 fifths vote of the total membership of each House, no appropriation in excess of the cash
31 and anticipated revenue of the funds from which such appropriation is to be made shall
32 be valid. No bill containing an appropriation shall be considered as passed or be sent to
33 the Governor for consideration until and unless the {Appropriate Statewide Elected
34 Official Not Involved in Writing or Approving the State Budget} endorses his certificate
35 thereon showing that the amount appropriated is within the amount estimated to be
36 available in the affected funds. When the {Appropriate Statewide Elected Official Not
37 Involved in Writing or Approving the State Budget} finds an appropriation bill exceeds
38 the estimated revenue he shall endorse such finding thereon and return to the House in
39 which same originated. Such information shall be immediately made known to each
40 House and the necessary steps shall be taken to bring such appropriation to within the
41 revenue, either by providing additional revenue or reducing the appropriation.
42

43 **SECTION 2.** The constitutional amendment proposed by this resolution shall be
44 submitted to the voters at an election to be held {appropriate date}. The ballot shall be
45 printed to permit voting for or against the proposition: "The constitutional amendment
46 requiring {Appropriate Statewide Elected Official Not Involved in Writing or Approving

47
48 the State Budget} to estimate state revenues and certify that all spending proposed by the
49 Legislature is funded with available revenue

1 **THE SPENDING EVALUATION ACT**

Page 1 of 2

2
3 Proposing a constitutional amendment requiring a rigorous evaluation of current and
4 proposed state programs, agencies and mandates.

5
6 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF {name of**
7 **state}:**

8
9 **SECTION 1.** Article xx, {name of state} Constitution, is amended by adding Section xx
10 to read as follows:

11
12 Section xx. {Evaluations of Proposed and Existing Government Programs, Agencies, and
13 Mandates Required.}

14
15 (a) No Act of the Legislature that creates a new program, agency, or mandate requiring
16 the expenditure of public funds may be considered Law unless and until the Act has been
17 evaluated as prescribed herein and the results of the evaluation are fully disseminated to
18 the public.

19
20 (b) All programs, agencies, and mandates in existence as of when this Section became
21 law shall be evaluated as prescribed herein within a period of 10 years and the results of
22 each evaluation fully disseminated to the public. All programs, agencies, and mandates
23 shall be evaluated as prescribed herein every 10 years and statutes authorizing any
24 program, agency, or mandate not so evaluated shall be null and void pending the
25 evaluation.

26
27 (c) A Government Review Commission consisting of nine members shall be appointed
28 with the Governor, the Speaker of the House, and the presiding officer of the Senate
29 appointing three members each. No member of the Government Review Commission
30 may currently be a Member of the Legislature or be an employee of any government
31 within two years prior to appointment. No member of the Government Review
32 Commission may be an employee, owner with more than a 5 percent share, or officer of a
33 company or corporation that receives more than 20 percent of its gross revenue from
34 government directly or through subcontracts. Members of the Government Review
35 Commission shall serve without pay and at the discretion of the official who appointed
36 them.

37
38 (d) The Auditor General {or appropriate officer} shall, in consultation with the
39 Government Review Commission, contract with one or more independent third parties
40 for the purpose of evaluating and reporting on programs, agencies, and mandates as
41 required herein. The Auditor General {or appropriate officer} and the Government
42 Review Commission shall review reports for completeness, adherence to professional
43 standards, and sound methodology. The Auditor General shall promulgate the results of
44 all evaluations required herein to the Governor, the Legislature, and the general public.

45
46

(e) Each program, agency, or mandate, whether newly proposed or already in existence shall be evaluated for whether it:

- (1) Creates clear and measurable net economic benefits that accrue generally to all citizens of the state, even in the absence of federal funding,
- (2) Interferes with citizens' ability to engage in free enterprise,
- (3) Causes government spending to merely displace private spending and to what degree it does so,
- (4) Affects relative prices of goods and services and how it does so,
- (5) Clearly fills a necessary function that only government can fill,
- (6) Is likely to result in a financial obligation to the state that would necessitate a tax increase at some future time, and
- (7) Any other criteria the Government Review Commission shall deem appropriate, but which shall not preclude the criteria named above.

(f) The Legislature shall provide funds to the Auditor General {or appropriate officer} to carry out the functions required herein.

(g) {Definitions.}

(1) "Independent third party" is a private entity or person having no ongoing financially dependent relationship with any government entity except the Auditor General that possesses the necessary expertise to conduct the evaluations and/or write the reports as described in this Section.

(2) "Reports" means written documents that comprehensively record the methods used and results of evaluations of programs, agencies, and mandates.

(h) A resident taxpayer of the state shall have standing to seek de novo judicial review as to whether the criteria set out in this Section have been met, by filing an action seeking declaratory, injunctive, quo warranto, or writ of prohibition relief.

SECTION 2. The constitutional amendment proposed by this resolution shall be submitted to the voters at an election to be held {appropriate date}. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment requiring a rigorous evaluation of current and proposed state programs, agencies and mandates."

1 **A RESOLUTION IN OPPOSITION TO VALUE-ADDED TAXES** Page 1 of 1

2
3 Expressing the state's opposition towards the value-added tax:

4
5 **WHEREAS**, a value-added tax (VAT) is yet another new tax which American families
6 and small businesses would bear, and

7
8 **WHEREAS**, the typical VAT rate in Europe has grown from less than five percent in the
9 1960s to nearly twenty percent today, and

10
11 **WHEREAS**, the minimum VAT rate a country needs to join the European Union is
12 fifteen percent, and

13
14 **WHEREAS**, other taxes in Europe have risen at the same time as the VAT has risen,
15 leading to a very high level of taxation compared to the United States, and

16
17 **WHEREAS**, there is every reason to believe that the European experience of the last
18 half-century would be repeated here, and

19
20 **WHEREAS**, there are pro-growth ways to help domestic manufacturing and
21 international tax competitiveness without imposing a dangerous new VAT, and

22
23 **WHEREAS**, there are pro-growth and pro-family ways of executing tax reform that do
24 not involve the introduction of a new type of tax into our tax structure,

25
26 **BE IT RESOLVED** that we the legislators of {name of state}:
27 urge all members of our state's Congressional delegation to oppose a value-added tax on
28 principle.

29
30 **BE IT FURTHER RESOLVED** that this state is on record as opposing a state- or local-
31 level VAT for any reason.
32
33

American Legislative Exchange Council
Tax and Fiscal Policy Task Force
Spring Task Force Summit
St. Louis, MO
April 23, 2010

Task Force Members in Attendance

Public Sector (22)

Rep. John Adams, *Ohio*
Rep. Rodney Anderson, *Wyoming*
Rep. Gail Bates, *Maryland*
Sen. Jim Buck, *Indiana*
Rep. Richard Carlson, *Kansas*
Rep. Jim Clark, *Idaho*
Rep. Gary Daniels, *New Hampshire*
Rep. Greg Forristall, *Iowa*
Rep. Ed Garner, *Arkansas*
Rep. Philip Hart, *Idaho*
Sen. Jeff Haverly, *South Dakota*
Sen. Chris Lauzen, *Illinois*
Rep. Norman Major, *New Hampshire*
Rep. Jeff May, *Georgia*
Rep. Wayne Niederhauser, *Utah*
Rep. Deb Peters, *South Dakota*
Rep. Jason Smith, *Missouri*
Rep. Larry Taylor, *Texas*
Rep. Jeff Thompson, *Idaho*
Rep. Eric Turner, *Indiana*
Sen. Daniel Verdin, *South Carolina*
Rep. Ken Weyler, *New Hampshire*

Private Sector (25)

Ms. Sally Aiello, *Wal-Mart Stores, Inc.*
Mr. Eldon Andrus, *Econ Mobil Corporation*
Mr. Michael Barnhart, *Sunshine Review*
Mr. Carl Bearden, *Americans for Prosperity*
Mr. Jason Clemens, *Pacific Research Institute*
Mr. Kelly Cobb, *Americans for Tax Reform Foundation*
Ms. Jamie Fenwick, *Time Warner Cable*
Mr. Leonard Gilroy, *Reason Foundation*
Mr. Tom Giovanetti, *Institute for Policy Innovation*
Ms. Amber Gunn, *Evergreen Freedom Foundation*
Mr. Talmadge Heflin, *Texas Public Policy Foundation*

Mr. Joseph Henchman, *Tax Foundation*
Mr. James Hohman, *Mackinac Center for Public Policy*
Ms. Amanda Klump, *Altria Client Services, Inc.*
Ms. Lisa McCabe, *Satellite Broadcasting and Communications Association*
Mr. Nathan Pick, *Americans for Tax Reform*
Mr. Pete Poynter, *AT&T*
Mrs. Kristina Rasmussen, *Illinois Policy Institute*
Mr. Jon Sanders, *John Locke Foundation*
Mr. Greg Saphier, *National Cable & Telecommunications Association*
Mr. Pete Sepp, *National Taxpayers Union*
Mr. Alan Smith, *Recovery Audit Specialists/ The Heartland Institute*
Mr. Bob Williams, *Evergreen Foundation, Tax and Fiscal Policy Task Force Private Chair*
Mr. Lyle Williamson, *Verizon Communications Inc.*
Mr. Steve Woods, *National Federation of Independent Business*

Speakers/Advisors (6)

Ms. Pat Cannon, *Allergan, Inc.*
Mr. Roman Buhler, *Constitutional Advocate*
Mr. John Graham, *Pacific Research Institute*
Mr. John Gibbs, *Comcast Cable Communications, LLC*
Mr. Mike Prentiss, *Proctor and Gamble*
Mr. Steve Proper, *Comcast Cable Communications, LLC*

Staff (2)

Jonathan Williams, *Tax and Fiscal Policy Task Force Director*
Pia Decarsin, *Legislative Assistant*

Welcome and Introduction:

Senator Jim Buck and **Mr. Bob Williams** welcomed everyone and called the meeting to order.

Minutes from December's States and National Policy Summit were unanimously approved.

Speakers and Discussion:

Representative John Adams, Ohio State Legislator gave a report on **Fiscal Federalism and State Sovereignty**.

Senator Wayne Niederhauser, Utah State Senator gave a report on **Fiscal Policy Reform**.

Chris Atkins, Senior Fiscal Policy Advisor to Governor Mitch Daniels gave a report on **Free Market Reforms in Indiana**.

Bob Williams, Evergreen Foundation and Chairman of ALEC's Private Sector Tax and Fiscal Policy Task Force explained various methods to avoid **Budget Gimmicks**.

Mike Barnhart from the Sunshine Review discussed different ways to promote **Fiscal Transparency in the States**.

Mr. Jonathan Williams, Director of the Tax and Fiscal Policy Task Force gave a report on the 3rd edition of **Rich States, Poor States**.

Mr. John Graham from the Pacific Research Institute gave a report on **What ObamaCare Means for State Budgets**.

Model Bill Discussion/Vote:

Amber Gunn from the Evergreen Freedom Foundation and **Joe Henchman** from the Tax Foundation proposed an updated version of **ALEC's Principles of Taxation**. The updates were voted on by voice and passed the Taskforce.

Senator **Wayne Niederhauser** from Utah and **Pete Sepp** from the National Taxpayers Union presented ALEC's model bill, **Vote On Taxes Joint Resolution**. The bill requires Congress to call a limited constitutional convention to vote on the **Vote On Taxes Amendment**. The Amendment requires Congress to receive consent from the governed on various fiscal policy changes including new taxes and increasing the federal debt. The bill passed unanimously.

Senator **Jim Buck** from Indiana presented ALEC's model bill, **Automatic Income Tax Rate Adjustment Act**. This bill provides a reduction in the state adjusted gross income tax rate if year- over- year revenue from the adjusted gross income tax exceeds certain amounts. The bill passed the task force.

New Business:

No new business.

Adjournment:

A motion to adjourn was called and unanimously approved.



Mission Statement

The American Legislative Exchange Council's mission is...

To advance the Jeffersonian Principles of free markets, limited government, federalism, and individual liberty through a nonpartisan public-private partnership among America's state legislators, concerned members of the private sector, the federal government, and the general public.

To promote these principles by developing policies that ensure the powers of government are derived from, and assigned to, first the People, then the States, and finally the Federal Government.

To enlist state legislators from all parties and members of the private sector who share ALEC's mission.

To conduct a policy making program that unites members of the public and private sector in a dynamic partnership to support research, policy development, and dissemination activities.

To prepare the next generation of political leadership through educational programs that promote the principles of Jeffersonian democracy, which are necessary for a free society.



American Legislative Exchange Council TASK FORCE OPERATING PROCEDURES

I. MISSION OF TASK FORCES

Assume the primary responsibility for identifying critical issues, developing ALEC policy, and sponsoring educational activities which advance the Jeffersonian principles of free markets, limited government, federalism, and individual liberty. The mission will be accomplished through a non-partisan, public and private partnership between ALEC's legislative and private sector members in the specific subject areas assigned to the Task Force by the Board of Directors.

II. TASK FORCE RESPONSIBILITIES

- A. Task Forces have the primary responsibility for identifying critical issues and developing ALEC's official policy statements and model legislation appropriate to the specific subject areas of the Task Force.
- B. Task Forces serve as forums for an exchange of ideas and sharing of experiences between ALEC's state legislator and private sector members.
- C. Task Forces are responsible for developing and sponsoring the following educational activities appropriate to the specific subject area of the Task Force:
 - publications that express policy positions, including, but not limited to State Factors and Action Alerts;
 - educational communication and correspondence campaigns;
 - issue specific briefings, press conferences and press campaigns;
 - witness testimony and the activities of policy response teams;
 - workshops at ALEC's conferences; and
 - specific focus events.
- D. The Executive Director is to ~~Task Forces are responsible for developing an annual budgets,~~ which shall include expenses associated with Task Force meetings and educational activities. A funding mechanism to finance all meetings and educational activities proposed by Task Forces must be available before they can be undertaken.

III. GENERAL PROCEDURES

- A. Requests from ALEC members for policy statements, model legislation and educational activities shall be directed by the Executive Director to the appropriate Task Force, or the Board of Directors if the issue does not fall within the jurisdiction of any Task Force. The appropriate Public and Private Sector Task Force Co-Chairs determine the agenda for each Task Force meeting, and the meetings will be called and conducted in accordance with these Operating Procedures.

The Director of Policy with the consent of the Executive Director assigns a model bill or resolution to the most appropriate Task Force based on Task Force content and prior jurisdictional history 35 days before a Task Force Meeting. All Task Force Co-Chairs will be provided an email or fax summary of all model bills and resolutions 35 days before the Task Force meeting

If both the Co-Chairs of a Task Force are in agreement that they should have jurisdiction on model legislation or a resolution, the legislation or resolution will be considered by the Task Force. If the other Task Force Co-Chairs believe they should have jurisdiction or if the author of the model bill or resolution does not agree on the jurisdictional assignment of the bill, they will have 10 days after the 35-day mailer deadline to submit in writing or by electronic appeal to the Director of Policy their intent to challenge the jurisdiction assignment. The Director of Policy will notify the Executive Director who will in turn notify the National Chair and the Private Enterprise Board Chair. The National Chair and the Private Enterprise Board Chair will in turn refer the matter in question to the Board of Directors Task Force Board Committee. The Director of Policy will establish a conference call for the Task Force Board Committee co- chairs, the author, the affected Task Force Co-Chairs and the Director of Policy at a time convenient for all participants.

The Task Force Board Committee Co-Chairs shall listen to the jurisdictional dispute by phone or in person within 10 days of the request. If both Task Force Board Committee Co-Chairs are in agreement that the Director of Policy made an incorrect jurisdictional referral, only then will the model bill or resolution be reassigned to a committee as they specify once agreed upon by the National Chair and the Private Enterprise Board Chair. The bill or model resolution is still eligible to be heard in whatever Task Force it is deemed to be assigned to as if submitted to the correct Task Force for the 35-day mailer. The National Chair and the Private Enterprise Board Chair decision is final on this model bill or resolution.

Joint referral of model legislation and/or resolutions are allowed if all the affected Task Force Co-Chairs agree. All model legislation and resolutions that have been referred to, more than one Task Force must pass the identical language in both Task Forces within two consecutive Task Force meetings. It is at the Task Force

Co-Chairs discretion how they will handle the hearings of the model legislation or resolution. Both sets of co-chairs have the ability to call a working group, subcommittee, or simply meet consecutively or concurrently if necessary.

If the Task Force co-chairs both agree to waive jurisdiction, they may do so as long as another Task Force still has jurisdiction.

The National Chair and the Private Sector Board Chair will rely upon the Task Force Board Committee Co-Chairs for advice and recommendations on model legislation or resolutions when no jurisdiction in any of the existing Task Forces in operation can be found. The Task Force Board Committee Co-Chairs will work with the Executive Director and the Director of Policy to identify public and private sector Task Force members (not alternates) from the existing Task Forces should their expertise be of assistance to the Task Force Board Committee in reaching a determination and recommendation for approval by the National Chair and the Private Enterprise Board Chair.

- B. The National Chair and the Private Sector Board Chair will rely upon the Task Force Board Committee Co-Chairs for advice and recommendations on model legislation or resolutions when no jurisdiction in any of the existing Task Forces in operation can be found. The Task Force Board Committee Co-Chairs will work with the Executive Director and the Director of Policy to identify public and private sector Task Force members (not alternates) from the existing Task Forces should their expertise be of assistance to the Task Force Board Committee in reaching a determination and recommendation for approval by the National Chair and the Private Enterprise Board Chair.
- C. The Board of Directors shall have ultimate authority over Task Force procedures and actions including the authority to create, to merge or to disband Task Forces and to review Task Force actions in accordance with these Operating Procedures. Nothing in these Operating Procedures prohibits the Board of Directors from developing ALEC policy; however, such a practice should be utilized only in exceptional circumstances. Before the policy is adopted by the Board of Directors, it should be sent to the Public and Private Sector Task Force Co-Chairs under whose jurisdiction the matter falls for review and comment back to the Board of Directors.
- D. The operating cycle of a Task Force is two years. A new operating cycle begins on January 1 of each odd numbered year and ends on December 31 of the following even numbered year. Task Force activities shall be planned and budgeted on an annual basis within each two-year operating cycle.
- E. ~~At the ALEC Annual Meeting, each Task Force will be responsible for determining an operating budget for the succeeding calendar year. The Executive Director will notify the Task Force Co-Chairs, at the ALEC Annual Meeting, what inflation factor will be used by the Task Force to determine the operating~~

~~and programming budgets. Task Force membership and budget information will be reported to the Executive Director by the Public and Private Sector Task Force Co-Chairs. The Executive Director will present this information to the Board of Directors at its regular fall meeting.~~

- F. If a Task Force is unable to develop an operating budget, the Board of Directors will determine whether to continue the operations of the Task Force. This determination will be made according to: (1) the level of membership on the Task Force, and (2) the need for continued services developed by the Task Force for ALEC.
- G. The Board of Directors shall have the authority to allocate limited general support funds to finance the annual operating budget of Task Forces that meet the requirements prescribed in Section III (E). The Executive Director shall determine, and report to the Board of Directors, the amount of general support funds available to underwrite such Task Forces.

IV. MEMBERSHIP AND MEMBER RESPONSIBILITIES

- A. The membership of a Task Force consists of legislators who are members in good standing of ALEC and are duly appointed to the Task Force, in accordance with Section VI (A) and private sector organizations that are full members of ALEC, contribute to the assessment for the Task Force operating budget, and are duly appointed to the Task Force, in accordance with Section VI (B). Private sector organizations that were full members of ALEC and contributed the assessment for the Task Force's operating budget in the previous year, can be appointed to the Task Force for the current year, conditional upon renewal of full ALEC membership and receipt of the current year's assessment for the Task Force operating budget prior to March 31st, unless an alternative date has been approved by the Executive Director.
- B. Each Task Force shall have least two Co-Chairs; a Public Sector Task Force Co-Chair and a Private Sector Task Force Co-Chair. The Public Sector Task Force Co-Chair must be a member of the Task Force and appointed in accordance with Section VI (A). The Private Sector Co-Chair must represent a private sector member of the Task Force and be appointed in accordance with Section VI(B). The Co-Chairs shall be responsible for:
 - (1) calling the Task Force and the Executive Committee meetings to order, setting the agenda and co-chairing such meetings;
 - (2) appointing and removing legislators and private sector members to and from the Task Force Executive Committee and subcommittees;
 - (3) creating subcommittees, and determining each subcommittee's mission, membership limit, voting rules, deadlines, and term of service; and

- (4) selecting Task Force members to provide support for and against Task Force policies during formal Board reviews.
- C. Each Task Force shall have an Executive Committee appointed by the Public and Private Sector Task Force Co-Chairs that is appropriate in number to carry out the work product and strategic plan of ALEC and the Task Force. The Executive Committee shall consist of the Public Sector Task Force Co-chair, the Private Sector Task Force Co-Chair, the subcommittee co-chairs, and the remainder will be an equal number of legislative and private sector Task Force members. The Executive Committee will be responsible for determining the operating budget and proposing plans, programs and budgets for the succeeding year in accordance with (Section V (B); determining if a proposed educational activity conforms to a previously approved model bill, resolution or policy statement in accordance with (Section IX (F); and determining if an emergency situation exists that justifies waiving or reducing appropriate time limits in accordance with (Section VIII (H)).
- D. Each Task Force may have any number of subcommittees, consisting of Task Force members and advisors to focus on specific areas and issues and make policy recommendations to the Task Force. The Task Force Co-chairs, shall create subcommittees and determine each subcommittee's mission, membership limit, voting rules, deadlines, and term of service. Any model bill, resolution or policy statement approved by a subcommittee must be approved by the Task Force before it can be considered official ALEC policy.
- E. Each Task Force may have advisors, appointed in accordance with Section VI (G). Advisors shall assist the members and staff of the Task Force. They shall be identified as advisors on official Task Force rosters, included in all official Task Force mailings and invited to all Task Force meetings. Advisors may also have their expenses paid at Task Force meetings covered by the Task Force operating budget with the approval of the Task Force Co-Chairs. An advisor cannot be designated as the primary contact of a private sector Task Force member, cannot be designated to represent a private sector Task Force member at a Task Force, Executive Committee, or subcommittee meeting, and cannot offer or vote on any motion at a Task Force, Executive Committee, or subcommittee meeting.

V. Task Force Budgets

- A. Each Task Force shall develop and operate a yearly budget to fund meetings.
- B. The operating budget shall be used primarily to cover expenses for Task Force meetings, unless specific funds within the budget are authorized for other use by the Task Force. The operating budget shall be assessed equally among the private sector members of the Task Force. The Executive Director, in consultation with the Task Force Co-Chairs shall determine which costs associated with each meeting will be reimbursed from the operating budget. Any funds remaining in a

Task Force's operating budget at the end of a year are transferred to ALEC's general membership account.

- C. The operating budget shall not be used to cover Task Force meeting expenses associated with alternate task force members' participation, unless they are appointed by their State Chair to attend the Spring Task Force Summit with the purpose to serve in place of a Task Force Member who is unable to attend. Task Force meeting expenses of alternate task force members shall be covered by their state's scholarship account.
- D. The programming budget shall be used to cover costs associated with educational activities. Contributions to the programming budget are separate, and in addition to operating budget contributions and annual general support/membership contributions to ALEC. The Executive Director shall determine the contribution required for each educational activity.

VI. PROCESS FOR SELECTING TASK FORCE MEMBERS, CHAIRS, COMMITTEES AND ADVISORS

- A. Prior to February 1 of each odd-numbered year, the current and immediate past National chairman will jointly select and appoint in writing three legislative members and three alternates to the Task Force who will serve for the current operating cycle, after receiving nominations from ALEC's Public and Private State Chairs, the Executive Director and the ALEC Public and Private Sector members of the Board. At any time during the year, the National Chairman may appoint in writing new legislator members to each Task Force, except that no more than three legislators from each state may serve as members of any Task Force, no legislator may serve on more than one Task Force and the appointment cannot be made earlier than thirty days after the new member has been nominated. In an effort to ensure the nonpartisan nature of each Task Force, it is recommended that no more than two legislators of any one political party from the same state be appointed to serve as members of any Task Force. A preference will be given to those ALEC legislator members who serve on or chair the respective Committee in their state legislature. A preference will be given to legislators who sponsor ALEC Task Force model legislation in the state legislature.
- B. Prior to January 10 of each odd-numbered year, the current and immediate past National Chairman will jointly select and appoint in writing the Task Force Chair who will serve for the current operating cycle, after receiving nominations from the Task Force. Nominations will be requested by the outgoing Task Force Chair and may be placed in rank order prior to transmittal to the Executive Director no later than December 1 of each even-numbered year. No more than five names may be submitted in nomination by the outgoing Task Force chair. The current and immediate past National Chairmen will jointly make the final selection, but

should give strong weight to the recommendations of the outgoing Task Force Chair. In an effort to empower as many ALEC leaders as possible, State Chairs and members of the Board of Directors will not be selected as Task Force Chairs. Task Force Chairs shall serve for one operating cycle term. Where special circumstances warrant, the current and immediate past National Chairmen may reappoint a Task Force Chair to a second operating cycle term.

- C. Prior to February 1 of each odd numbered year, the Public and Private Sector Task Force Co-Chairs will select and appoint in writing the legislative and private sector members of the Task Force Executive Committee, who will serve for the current operating cycle. The Public and Private Sector Task Force Co-Chairs will select and appoint in writing the legislative and private sector members and advisors to any subcommittee.
- D. Prior to February 1 of each year, the Private Enterprise Board Chair and the immediate past Private Enterprise Board Chair will select and appoint in writing the private sector members to the Task Force who will serve for the current year. The appointment letter shall be mailed to the individual designated as the primary contact for the private sector entity. At any time during the year, the Chair of the Private Enterprise Board may appoint in writing new private sector members to each Task Force, but no earlier than thirty days after the new member has qualified for full membership in ALEC and contributed the assessment for the appropriate Task Force's operating budget.
- E. Prior to January 10 of each odd-numbered year, the Chair of the Private Enterprise Board and the immediate past Private Enterprise Board Chair will select and appoint in writing the Task Force Private Sector Co-Chair who will serve for the current operating cycle, after receiving nominations from the Task Force. Nominations will be requested by the outgoing Task Force Private Sector Chair and may be placed in rank order prior to transmittal to the Chair of the Private Enterprise Board. The Chair and the immediate past Chair of the Private Enterprise Board will make the final selection, but should give strong weight to the recommendations of the outgoing Private Sector Task Force Co-Chair. In an effort to empower as many ALEC private sector members as possible, Private Enterprise State Chairs and members of the Private Enterprise Board will not be selected as Private Sector Task Force Co-Chairs. Private Sector Task Force Co-Chairs shall serve for one operating cycle term. Where special circumstances warrant, the current and immediate past Chair of the Private Enterprise Board may reappoint a Task Force Private Sector Chair to a second operating cycle term.
- F. Prior to February 1 of each odd-numbered year, the Task Force Private Sector Co-Chair will select and appoint in writing the private sector members of the Task Force Executive Committee, who will serve for the current operating cycle. The Task Force Private Sector Co-Chair shall select and appoint in writing the private sector members of any subcommittees.

- G. The Public and Private Sector Task Force Co-Chairs, may jointly appoint subject matter experts to serve as advisors to the Task Force. The National Chair and the Private Enterprise Board Chair may also jointly recommend to the Task Force Co-Chairs subject matter experts to serve as advisors to the Task Force.

VII. REMOVAL AND VACANCIES

- A. The National Chair may remove any Public Sector Task Force Co-Chair from his position and any legislative member from a Task Force with or without cause. Such action will not be taken except upon thirty days written notice to such Chair or member whose removal is proposed. For purposes of this subsection, cause may include failure to attend two consecutive Task Force meetings.
- B. The Public Sector Task Force Co-Chair may remove any legislative member of an Executive Committee or subcommittee from his position with or without cause. Such action shall not be taken except upon thirty days written notice to such member whose removal is proposed. For purposes of this subsection, cause may include failure to attend two consecutive meetings.
- C. The Chairman of the Private Enterprise Board may remove any Private Sector Task Force Co-Chair from his position and any private sector member from a Task Force with cause. Such action shall not be taken except upon thirty days written notice to such Chair or member whose removal is proposed. For purposes of this subsection, cause may include but is not limited to the non-payment of ALEC General Membership dues and the Task Force dues. .
- D. The Private Sector Task Force Co-Chair may remove any private sector member of an Executive Committee or subcommittee from his position with cause. Such action shall not be taken except upon thirty days written notice to such member whose removal is proposed. For purposes of this subsection, cause may include but is not limited to the non-payment of ALEC General Membership dues and the Task Force dues.
- E. The Public and Private Sector Task Force Co-Chairs may remove an advisor from his position with or without cause. Such action shall not be taken except upon thirty days written notice to such advisor whose removal is proposed.
- F. Any member or advisor may resign from his position as Public Sector Task Force Co-Chair, Private Sector Task Force Co-Chair, public or private sector Task Force member, Task Force advisor, Executive Committee member or subcommittee member at any time by writing a letter to that effect to the Public Sector and Private Sector Task Force Co-Chairs. The letter should specify the effective date of the resignation, and if none is specified, the effective date shall be the date on which the letter is received by the Public and Private Task Force Co-Chairs.

- G. All vacancies for Public Sector Task Force Co-Chair, Private Sector Task Force Co-Chair, Executive Committee member and subcommittee member shall be filled in the same manner in which selections are made under Section VI. All vacancies to these positions must be filled within thirty days of the effective date of the vacancy.

VIII. MEETINGS

- A. Task Force meetings shall only be called by the joint action of the Public and Private Sector Task Force Co-Chairs. Task Force meetings cannot be held any earlier than thirty-five days after being called, unless an emergency situation has been declared pursuant to Section VIII(H), in which case Task Force meetings cannot be held any earlier than ten days after being called. It is recommended that, at least once a year, the Task Forces convene in a common location for a joint Task Force Summit. Executive Committee meetings shall only be called by the joint action of the Public and Private Sector Task Force Co-Chairs and cannot be held any earlier than three days after being called, unless the Executive Committee waives this requirement by unanimous consent.
- B. At least forty-five days prior to a task force meeting any model bill, resolution or policy must be submitted to ALEC staff that will be voted on at the meeting. At least thirty-five days prior to a Task Force meeting, ALEC staff shall distribute copies of any model bill, resolution or policy statement that will be voted on at that meeting. This requirement does not prohibit modification or amendment of a model bill, resolution or policy statement at the meeting. This requirement may be waived if an emergency situation has been declared pursuant to Section VIII(H).
- C. All Task Force meetings are open to registered attendees and invited guests of ALEC meetings and conferences. Only regular Task Force Members may introduce any resolution, policy statement or model bill. Only Task Force members will be allowed to participate in the Task Force meeting discussions and be seated at the table during Task Force meetings, unless otherwise permitted by the Public and Private Sector Task Force Co-Chairs.
- D. ALEC private sector member organizations may only be represented at Task Force and Executive Committee meetings by the individual addressed in the appointment letter sent pursuant to Section VI(D) or a designee of the private sector member. If someone other than the individual addressed in the appointment letter is designated to represent the private sector member, the designation must be submitted in writing to the Public and Private Sector Task Force Co-Chairs before the meeting, and the individual cannot represent any other private sector member at the meeting.

- E. All Task Force and Executive Committee meetings shall be conducted under the guidelines of Roberts Rules of Order, except as otherwise provided in these Operating Procedures. A copy of the Task Force Operating Procedures shall be included in the briefing packages sent to the Task Force members prior to each meeting.
- F. A majority vote of legislative members present and voting and a majority vote of the private sector members present and voting, polled separately, are required to approve any motion offered at a Task Force or Executive Committee meeting. A vote on a motion to reconsider would be only with the sector that made the motion. Members have the right, in a voice vote, to abstain and to vote present by roll-call vote. In all votes a member can change their vote up until the time that the result of the vote is announced. Only duly appointed members or their designee as stated in Section VIII (D) that are present at the meeting may vote on each motion. No proxy, absentee or advance voting is allowed.
- G. The Public Sector Task Force Co-Chair and the Private Sector Task Force Co-Chair, with the concurrence of a majority of the Executive Committee, polled in accordance with Section VIII (F), may schedule a Task Force vote by mail or ~~fax~~ any form of electronic communication on any action pertaining to policy statements, model legislation or educational activity. The deadline for the receipt of votes can be no earlier than thirty-five days after notification of the vote is mailed or ~~faxed~~ notified by any form of electronic communication, unless an emergency situation is declared pursuant to Section VIII (H), in which case the deadline can be no earlier than ten days after notification is mailed or ~~faxed~~ notified by any form of electronic communication. Such votes are exempt from all rules in Section VIII, except: (1) the requirement that copies of model legislation and policy statements be mailed or ~~faxed~~ notified by any form of electronic communication with the notification of the vote and (2) the requirement that a majority of legislative members voting and a majority of the private sector members voting, polled separately, is required to approve any action by a Task Force.
- H. For purposes of Sections VIII(A), (B) and (G), an emergency situation can be declared by:
 - (1) Unanimous vote of all members of the Task Force Executive Committee present at an Executive Committee meeting prior to the meeting at which the Task Force votes on the model bill, resolution or policy statement; or
 - (2) At least three-fourth majority vote of the legislative and private sector Task Force members (voting in accordance with Section VIII (F)) present at the meeting at which the members vote on the model bill, resolution or policy statement.

- I. Ten Task Force members shall constitute a quorum for a Task Force meeting. One-half of the legislative and one-half of the private sector members of an Executive Committee shall constitute a quorum for an Executive Committee meeting.

IX. ***REVIEW AND ADOPTION PROCEDURES***

- A. All Task Force policy statements, model bills or resolutions shall become ALEC policy either: (1) upon adoption by the Task Force and affirmation by the Board of Directors or (2) thirty days after adoption by the Task Force if no member of the Board of Directors requests, within those thirty days, a formal review by the Board of Directors. General information about the adoption of a policy position may be announced upon adoption by the Task Force.
- B. The Executive Director shall notify the Board of Directors of the approval by a Task Force of any policy statement, model bill or resolution within ten days of such approval. Members of the Board of Directors shall have thirty days from the date of Task Force approval to review any new policy statement, model bill or resolution prior to adoption as official ALEC policy. Within those thirty days, any member of the Board of Directors may request that the policy be formally reviewed by the Board of Directors before the policy is adopted as official ALEC policy.
- C. A member of the Board of Directors may request a formal review by the Board of Directors. The request must be in writing and must state the cause for such action and a copy of the letter requesting the review shall be sent by the National Chairman to the appropriate Task Force Chair. The National Chairman shall schedule a formal review by the Board of Directors no later than the next scheduled Board of Directors meeting.
- D. The review process will consist of key members of the Task Force, appointed by the Task Force Chair, providing the support for and opposition to the Task Force position. Position papers may be faxed or otherwise quickly transmitted to the members of the Board of Directors. The following is the review and adoption procedures:
 - Notification of Committee: Staff will notify Task Force Chairs and the entire task force when the Board requests to review one of the Task Forces' model bills or resolutions.
 - Staff Analysis: Will be prepared in a neutral fashion. The analyses will include:
 - History of Task Force action
 - Previous ALEC official action/resolutions
 - Issue before the board
 - Proponents arguments

- Opponents arguments
- Standardized Review Format: To ensure fairness, a set procedure will be used as the format to ensure the model bill/resolution has a fair hearing before the Board.
 - Task Force Chair(s) will be invited to attend the Board Review
 - Task Force Chair(s) will decide who will present in support and in opposition for the model bill/resolution before the Board.
 - Twenty minutes that is equally divided will be given for both sides to present before the Board.
 - It is suggested that the Board not take more than twenty minutes to ask questions of the presenters.
 - Presenters will then be excused and the Board will have a suggested twenty more minutes for discussion and vote.
 - All votes will be recorded for the official record.
- Notification of Committee: The Director of Policy will notify presenters immediately after the vote. If the Board votes to send the model bill/resolution back to the task force, the Board will instruct the Director of Policy or another board member what to communicate.

E. The Board of Directors can:

- (1) Vote to affirm the policy or affirm the policy by taking no action, or
- (2) Vote to disapprove the policy, or
- (3) Vote to return the policy to the Task Force for further consideration providing reasons therefore.

F. Task Forces may only undertake educational activities that are based on a policy statement, model bill or resolution that has been adopted as official ALEC policy, unless the Task Force votes to undertake the educational activity, in which case the educational activity is subjected to the same review process outlined in this Section. It is the responsibility of the Task Force Executive Committee to affirm by three-fourths majority vote conducted in accordance with Section VIII that an educational activity conforms to a policy statement, model bill or resolution.

X. EXCEPTIONS TO THE TASK FORCE OPERATING PROCEDURES.

Exceptions to these Task Force Operating Procedures must be approved by the Board of Directors.

SCHOLARSHIP POLICY BY MEETING

ALEC Spring Task Force Summit:

1. ***Spring Task Force Summit Reimbursement Form:*** ALEC Task Force Members are reimbursed by ALEC up to \$350.00 for travel expenses. Receipts must be forwarded to the ALEC Policy Coordinator and approved by the Director of Policy.
2. ALEC Task Force Members' room & tax fees for a two-night stay are covered by ALEC.
3. *Official Alternate Task Force Members* (chosen by the State Chair and whose names are given to ALEC more than 35 days prior to the meeting to serve in place of a Task Force Member who cannot attend) are reimbursed in the same manner as Task Force Members.
4. ***State Scholarship Reimbursement Form:*** Any fees above \$350, or expenses other than travel and room expenses can be submitted by Task Force Members for payment from their state scholarship account upon the approval of the State Chair. Receipts must be submitted to the State Chair, who will submit the signed form to the Director of Membership.
5. *Non-Task Force Members* can be reimbursed out of the state scholarship fund upon State Chair approval. Receipts must be submitted to the State Chair, who will submit the appropriate signed form to the Director of Membership.

ALEC Annual Meeting:

State Scholarship Reimbursement Form: State scholarship funds are available for reimbursement by approval of your ALEC State Chair. Expenses are reimbursed after the conference, and may cover the cost of travel, room & tax, and registration. Receipts are to be submitted to the State Chair, who will then submit the signed form to the Director of Membership.

ALEC States & Nation Policy Summit:

1. ***States & Nation Policy Summit Reimbursement Form:*** ALEC offers two scholarships per state to cover the cost of travel, room & tax, and registration not to exceed \$1,000.00 per person for a total of \$2,000.00 per state. ALEC scholarship recipients must be named by the ALEC State Chair. Expenses are submitted to the State Chair and reimbursed after the conference. The State Chair submits the signed form to the Director of Membership.
2. ***State Scholarship Reimbursement Form:*** Any other fees or payments must come out of the state scholarship account, with the approval of the State Chair. Receipts must be submitted to the State Chair, who submits the signed form to the Director of Membership.

ALEC Academies:

Academy Reimbursement Form: Attendees of ALEC Academies are reimbursed by the Task Force Committee hosting the Academy. Attendees will receive a form at the Academy, and will be reimbursed up to \$500.00 for travel, and room & tax fees for a two-night stay by ALEC. Receipts must be forwarded to the appropriate Task Force Director and approved by the Director of Policy.